

Message Text

CONFIDENTIAL

PAGE 01 TOKYO 08556 280951Z

44

ACTION EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 AEC-11 AID-20 CEA-02

CIAE-00 CIEP-02 COME-00 DODE-00 FEAE-00 FPC-01 H-03

INR-10 INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07 RSC-01

SAM-01 SCI-06 SP-03 SS-20 STR-08 TRSE-00 SAJ-01 PA-04

USIA-15 PRS-01 IO-14 DRC-01 /198 W

----- 067623

R 280902Z JUN 74

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 2964

INFO AMEMBASSY BRUSSELS

C O N F I D E N T I A L TOKYO 8556

E.O. 11652: GDS

TAGS: ENGR

SUBJECT: INTEGRATED ENERGY PROGRAM

REF: STATE 138491 AND STATE 138196

SUMMARY: SENIOR FONOFF OFFICIALS APPRECIATED BRIEFING ON AMENDED US IEP AND RATIONALE. THEY IDENTIFIED SOME OF THEIR MAIN CONCERNS, ASSURED US GOJ WANTS TO COOPERATE WITH CONSUMERS BUT REITERATED THAT FIRM GOJ POSITION NOT FEASIBLE BEFORE END OF JULY. END SUMMARY

1. CHARGE AND E/C MIN MET WITH DEPUTY MINISTER TSURUMI AND DG ECON AFFAIRS MIYAZAKI JUNE 28 TO DISCUSS IEP. TIMELY RECEIPT OF MATERIAL IN REFTELS PERMITTED US BRING THEM UP TO DATE ON REVISED ELEMENTS OF US POSITION AND RATIONALE BEHIND KEY ISSUES.

2. TSURUMI ASSURED US GOJ SINCERELY WISHES TO COOPERATE WITH OIL CONSUMER GROUP AND BELIEVES MEANINGFUL METHODS OF COOPERATION CAN AND WILL BE DEvised IN COMING MONTHS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 08556 280951Z

TSURUMI SAID JAPAN, LIKE OTHER CONSUMERS WHO ARE SO MUCH

MORE DEPENDENT ON OIL IMPORTS THAN US, MUST HOWEVER PROCEED WITH UTMOST CAUTION TO AVOID PROVOKING A REACTION ON PART OF PRODUCERS. TSURUMI AND MIYAZAKI MENTIONED FOLLOWING POINTS WHICH MADE IT DIFFICULT OR IMPOSSIBLE FOR JAPANESE REPRESENTATIVES TO RESPOND POSITIVELY TO US INITIATIVES AT RECENT ECG AND WG MEETINGS:

(A) INADEQUATE ADVANCE NOTICE. POLICY ISSUES OF MAGNITUDE POSED BY IEP SIMPLY CANNOT BE DECIDED BY GOJ IN MATTER OF A FEW DAYS AFTER RECEIPT OF LENGTHY TEXTS (IN ENGLISH LANGUAGE).

(B) COMMITMENTS BY GOJ REQUIRE APPROVAL BY MINISTERS AND THIS NOT POSSIBLE DURING CURRENT ELECTION CAMPAIGN PERIOD.

(C) IMPLICATIONS OF NEW US PROPOSALS FOR AGREEMENTS ALREADY REACHED IN OECD OIL COMMITTEE. TSURUMI/MIYAZAKI INDICATED CONSIDERABLE PUZZLEMENT OVER WHAT THEY TOOK TO BE US BACK-TRACKING ON UNDERSTANDINGS WORKED OUT WITH HIGH LEVEL US PARTICIPATION IN RECENT MONTHS IN A FORUM SPECIFICALLY DESIGNATED BY ECG TO UNDERTAKE THIS WORK; THEY SAID GOJ ESPECIALLY TROUBLED BY "RIGIDITY" IN US JUNE 17 PAPER IN COMPARISON WITH MORE FLEXIBLE FORMULAE DEVELOPED IN OIL COMMITTEE.

(D) APPARENT RIGIDITY OF LINKAGE BETWEEN VARIOUS ELEMENTS OF US IEP. TSURUMI SAID IT WAS HIS IMPRESSION EUROPEANS GENERALLY WERE ALSO AGAINST TOO TIGHT OR AUTOMATIC A RELATIONSHIP BETWEEN COMPONENT PARTS OF IEP, EACH OF WHICH MAY BE DESIRABLE IN ITS OWN RIGHT.

3. TSURUMI AND MIYAZAKI INDICATED THEY FELT INSTITUTIONAL QUESTION (OECD OR INDEPENDENT GROUP) WAS OF MORE IMPORTANCE THAN US SEEMED TO THINK: OECD AS LONG-ESTABLISHED REPUTABLE BODY IS LESS PROVOCATIVE THAN A NEW SEMI-PERMANENT INSTITUTION AND MOREOVER MAY BE ONLY WAY TO ENTICE FRANCE INTO COOPERATING.

4. MIYAZAKI SAID GOJ INTENDS TO INCREASE ITS OIL STORAGE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 TOKYO 08556 280951Z

CAPACITY AS RAPIDLY AS PRACTICABLE BUT SAID THIS WILL TAKE A LONG TIME BECAUSE OF FINANCIAL/BUDGETARY REQUIREMENTS AND EXTREME DIFFICULTY OF FINDING SUITABLE SITES. HE SAW NO POSSIBILITY OF JAPAN ACQUIRING 90 DAY STORAGE CAPACITY BY JANUARY 1975 AND THEREFORE HOPED THAT NOTHING THIS FAR-REACHING WOULD BE A REQUIREMENT FOR PARTICIPATION IN IEP.

5. WE ENDEAVORED ANSWER TSURUMI AND MIYAZAKI'S
CONCERNS AS BEST WE COULD ON BASIS MATERIAL AVAILABLE
HERE AND INVITED THEM TO STUDY DETAILED PRESENTATION
US MADE YESTERDAY OR TODAY IN BRUSSELS WHICH THEY
WILL RECEIVE SHORTLY THROUGH OWN CHANNELS. MEETING
ENDED CORDIALLY WITH TSURUMI OBSERVING WHAT IS NOW
NEEDED IS A SERIES OF CONSTRUCTIVE CONSULTATIONS IN
ECG FRAMEWORK TO DEVELOP A GENUINE CONSENSUS AMONG
CONSUMERS ABOUT BEST WAY TO DEAL WITH PROBLEM SHARED
BY ALL.
SHOESMITH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, SUPPLIES, POLICIES, AGREEMENTS, ECONOMIC CONTROLS, CONTINGENCY PLANNING, ECONOMIC CONSUMPTION
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974TOKYO08556
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740171-0963
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974062/aaaaabfg.tel
Line Count: 126
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: STATE 138491 AND STATE 138196
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 05 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 APR 2002 by izenbei0>; APPROVED <19 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INTEGRATED ENERGY PROGRAM
TAGS: ENRG, JA, IEP
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005